UNION CARBIDE **INTERNAL CORRESPONDENCE**

PLAINTIFF'S EXHIBIT
UC-2868

DEC 11 1981

File

METALS DIVISION

P.O. BOX 579 · 4625 ROYAL AVE., NIAGARA FALLS, NEW YORK 14302

To (Name) Mr. W. C. Thurber
Division UCC-Metals Division
Location Section J-1
Old Ridgebury Road
Danbury, CT 06817

Copy to Mr. G. M. Lincoln
File

Date December 4, 1981

Originating Dept. "Calidria" Asbestos

Answering letter date

Subject 1982 Sales Estimate - Revised 12/3/81

J-5

Subject estimate is attached for your review and approval. This is a revision of my original proposal to you dated 9/9/81 and shows an increase of $197M in NIFS.

Items of particular interest are:

1) Price of SG-103-5 and -7 was held at $144/T because of the present uncertainty in the floor tile market.

2) SG-104 has been raised from $126/T to $128/T, not $130, which represents a psychological price barrier we would rather not reach.

3) RG-100 and RG-144 are priced at $800/T (rather than $810) because of our reluctance to "kill the goose with the golden eggs."

4) RG-244 has been increased to $3700/T as discussed.

5) CSV and SHURLIFT are raised to $200/T and UNIVIS to $210/T (rather than $195 across-the-board) to reflect differences in normal costs and to partially correct a poor margin situation.

6) SG-100-EX has been held to $136/T instead of $140/T as first proposed to avoid loss of our major customer, Nozawa, with the understanding that we will maintain the low price only as long as necessary or until we have to change it.

7) HPP-EX has been held to $216/T (rather than $220/T) reflecting extreme price resistance at weveral accounts. (This is still 90% of our domestic FOB, KC price which we give domestic distributors, anyway.)

8) SX-14 and SX-24 are shown at $560/T and $2200/T, respectively, which are about 5% above original budget, but still lower than comfortable. We should keep the pressure on these guys.

9) RG-244-EX is shown at $3400/T which is an average of $3200/T for TEC and $3700 to "others", weighted for the anticipated volume split.

I have included in the table other data such as base quantities, normal costs, etc. Please let me know if you require any additional details.

R. E. Byrne, Jr.

REB:dal
Attachment

1982 SALES ESTIMATE - REVISED

(12/3/81, REB)

	ABB		Base		Revised 1982 Estimate			
	T	M$	Qty, T	Price, $/T	Normal Cost,(1) $/T	D.M. %	NIFS, M$	Change M$
DOM.								
SG-103-5(2)	2000	288	70.0 (CL)	144	131.08	9.0	288	--
-103-7(3)	4150	598	68.6 (CL)	144	129.59	10.0	598	--
-104(4)	9300	1172	~95.0 (CL)	128	87.41	31.7	1190	+18
-130	200	41	41.6 (CL)	204	170.73	16.3	41	--
-200(5)	360	66	60.0 (CL)	184	155.04	15.7	66	--
-210(6)	300	81	36.4 (CL)	270	233.66	13.5	81	--
HPP(7)	20	5	60.0 (CL)	240	187.80	21.8	5	--
HPO(8)	1150	311	40.95(CL)	270	232.05	14.1	311	--
RG-100	580	447	60.0 (CL)	800	175.18	78.1	464	+17
-110	200	58	36.4 (CL)	290	238.38	17.8	58	--
-144	400	308	36.4 (CL)	800	238.05	70.2	320	+12
-244	400	1440	10.4 (CL)	3700	1437*	61.2	1480	+40
CSV	500	98	60.0 (CL)	200	162.59	18.7	100	+2
SHUR	600	117	60.0 (CL)	200	161.08	19.5	120	+3
UNIVIS	2200	429	60.0 (CL)	210	167.86	20.1	462	+33
DOM. TOTAL	22,360	5459	--	--	--	--	5584	+125
EXPORT(9)			(K=Container)					
SG-100-EX	2700	378	18.75(KL)	136	129.55	4.7	367	-11
-130-EX	20	4	20.8 (KL)	200	163.90	18.1	4	--
AS-200	900	153	18.75(KL)	170	147.44	13.3	153	--
HPP-EX	1000	220	18.75(KL)	216	182.01	15.7	216	-4
HPO-EX	500	130	18.2 (KL)	260	225.14	13.4	130	--
T-135-P-EX	25	20	18.75(KL)	780	--	--	20	--
RG-144-EX	300	222	17.5 (KL)	740	228.33	69.1	222	--
SX-14(10)	90	49	8.25(KL)	560(11)	230.76	58.8	50	+1
RG-244-EX	360	1188	5.0 (KL)	3400	1400.75	58.8	1224	+36
SX-24(12)	500	1050	2.64(KL)	2200	1399.57	36.4	1100	+50
EXP. TOTAL	6,395	3414	--	--	--	--	3486	+72
GR. TOTAL	28,755	8873	--	--	--	--	9070	+197

(1) Fully absorbed cost, 1982 Normals, KC Budget page 30, dated 11/13/81.
(2) Same as SG-100-EX except in 50 lb. plastic bags.
(3) " " " " " 70 lb. " "
(4) " " " " " 90T bulk hopper car.
(5) Same as AS-200
(6) Same as RG-110
(7) Same as RG-100 except larger pellets.
(8) Same as RG-144
(9) Export products generally not palletized resulting in sl. lower normal costs.
(10) Same as RG-144 except in WRG bags - 33 lbs./bag.
(11) Average of 100T @ $3700 and 200T @ $3200 (TEC).
(12) Same as RG-244 except in WRG bags - 11 lbs./bag.

* Approximate average of RG-244 and RG-244-DBW